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House Bill 4156 (Substitute H-5 as reported without amendment)
Sponsor: Representative Hank Vaupel
House Committee: Health Policy
Senate Committee: Appropriations

CONTENT

The bill would allow retired mental health professionals (other than psychiatrists) to work for the Department of Health and Human Services (DHHS) in State psychiatric hospitals without forfeiting their retirement benefits. The bill's provisions would apply to individuals who retired before October 1, 2015, and the provisions would expire on September 30, 2023. The hiring would be permitted only if the retiree had the appropriate experience and if the hiring were the most cost-effective option.

Current statute already allows the rehiring of retired psychiatrists at State psychiatric hospitals under certain circumstances; this bill would apply to other mental health professionals. The DHHS would be required to report on people who were hired under the bill, their position, their hourly wage, and the number of hours of service they provided.

MCL 38.68c

FISCAL IMPACT

The legislation would have a minor fiscal impact on the DHHS as the individuals hired would appear to be receiving pay similar to what current employees receive.

The bill would have no fiscal impact on the State Employees' Retirement System because it would affect only those mental health professionals who are already retired. The prohibition against 'double-dipping' (i.e., drawing a pension and earning a salary by returning to work) helps to prevent people from retiring earlier than they otherwise would if they are unable to 'double-dip'. Retiring earlier than predicted by the actuary negatively affects a retirement system. This bill would allow only people retired before October 1, 2015, to return to work, and so there continues to be no incentive to retire earlier than otherwise planned.

Date Completed: 8-28-19

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